Design Sense
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A troubled giant and its dramatic turnaround

Con Edison

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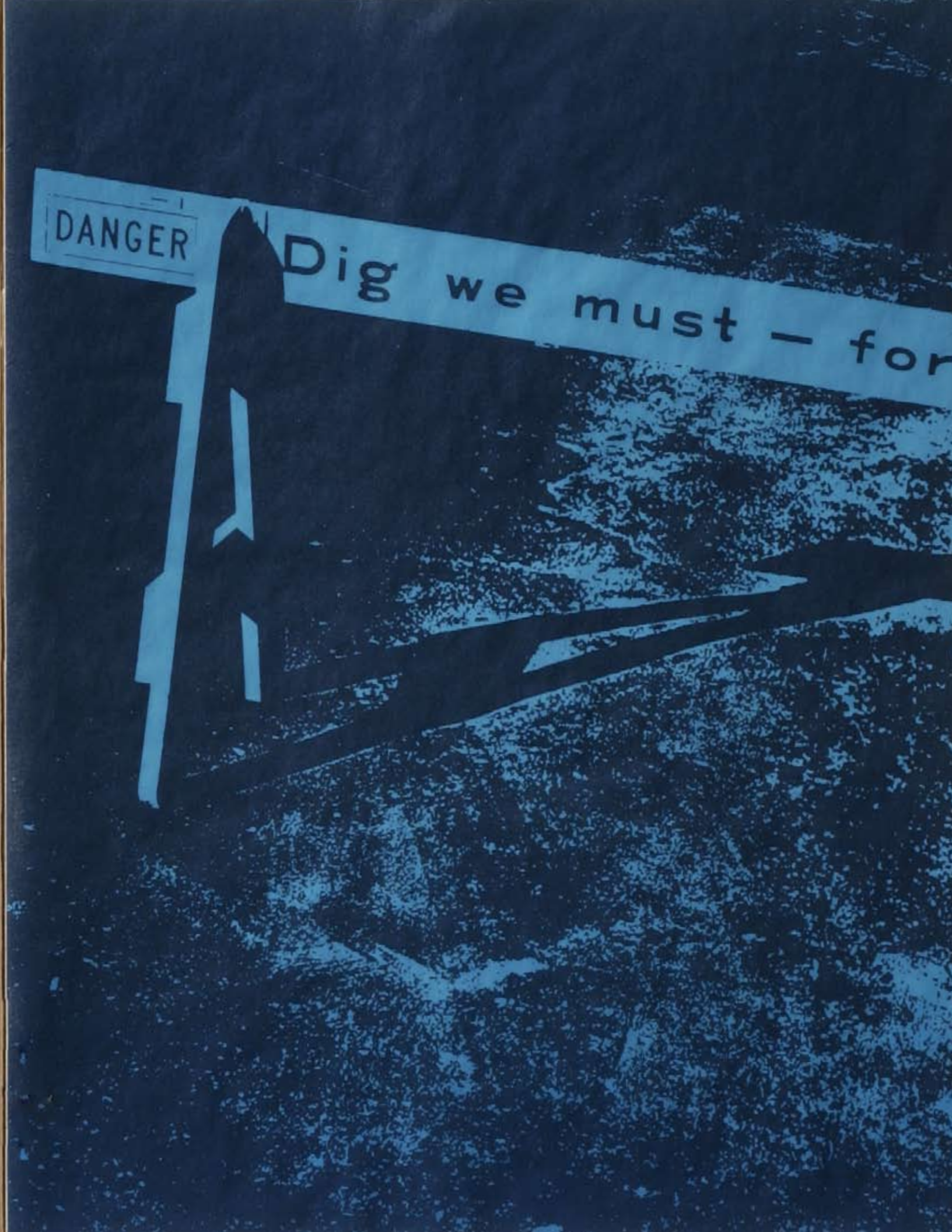

DANGER
Dig we must — for

"Nobody loves Consolidated Edison."

So proclaimed Fortune magazine not long ago, and at the time, the statement was all too accurate.

For Con Edison, the country's largest utility, was a company in trouble. Its image was battered; for years it had done little to change; when it did attempt to do so, and communicate with its publics, the effort often backfired.

A less dynamic company might have tried to hide from its troubles rather than go through the painstaking reappraisal of performance and communications that could ultimately lead to a more favorable image.

A less dynamic company would also have a less interesting story to tell.

The changes now taking place at Con Edison start at the core of the company and range outward to the visible surface. The goal is nothing short of corporate turnaround. When completed, the whipping boy that was Con Edison may not be transformed into an altar boy, but the business world and the public will be seeing a very different company.

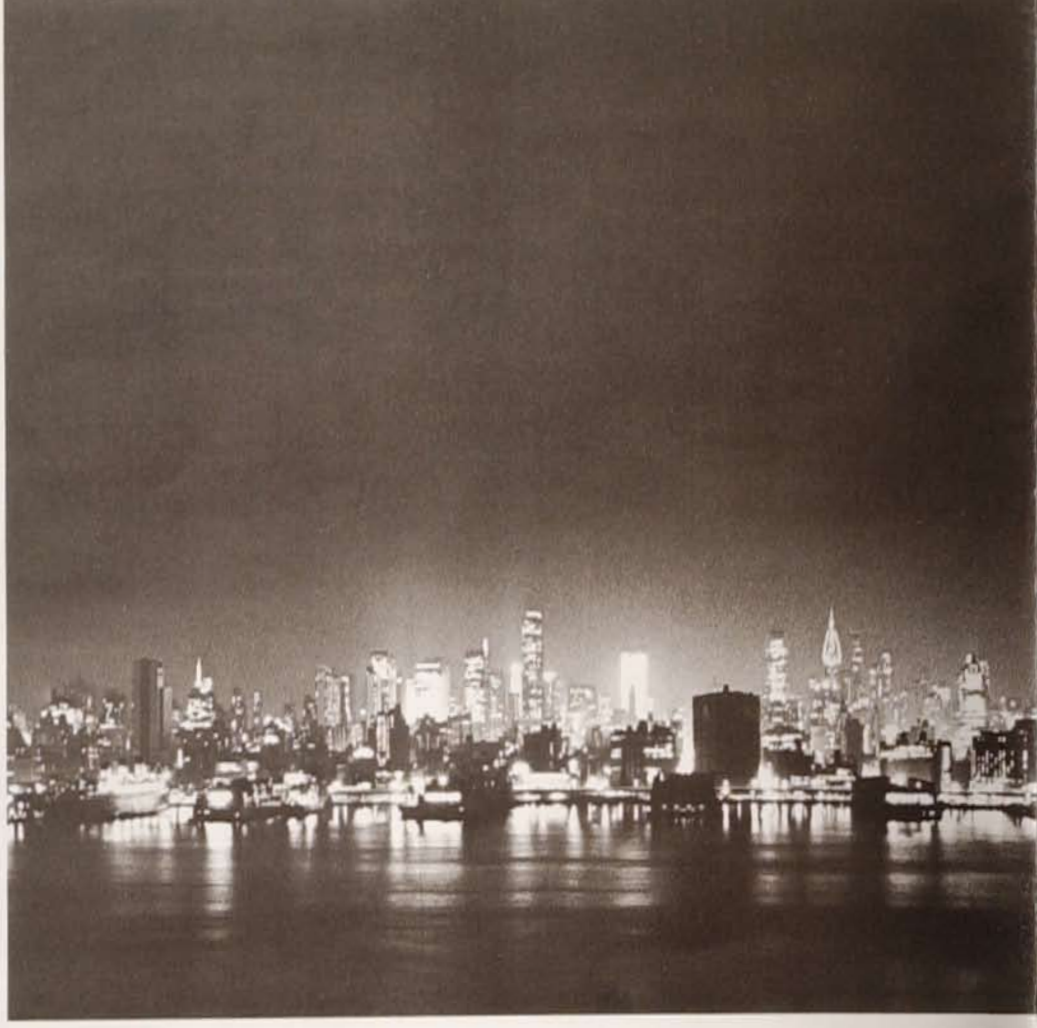
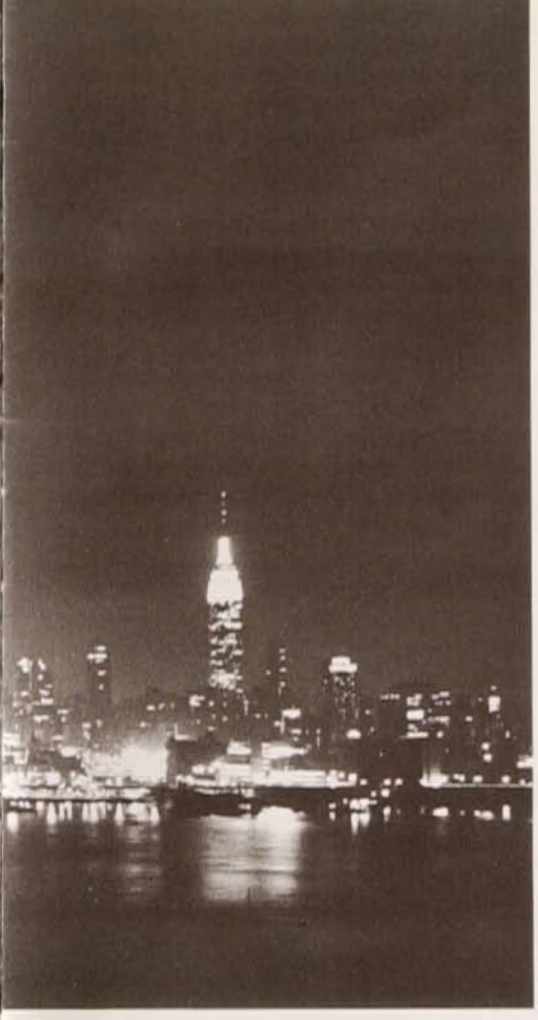


Image and reality



The effect on corporate performance
Does it really matter what people think of a company? Isn't performance what really counts? Aren't sales, earnings and profit margins the final measure of success? And aren't they objective, statistically measurable, realities that exist independently of the vagaries of opinion? Obviously opinion cannot alter the fact that Company X earned, say, $2.41 per share last year. But the fact that the company earned the stated amount was at least in part influenced by the attitudes of its various audiences: its customers, employees, shareholders, the financial community, the press and the government.

The price-earnings ratio which a company's stock commands is not merely a reflection of the past and present record of earnings, but of various subjective valuations of worth. How much is the investing public willing to pay for glamor, novelty, and scientific inventiveness of indeterminate commercial value?

And how much in terms of sales, earnings and profits is that ethereal element called "good will" worth?

A million dollars? Or ten? Or a hundred? In the case of government regulated industries—such as the airlines and utilities—the opinions of the public are crucial for they influence government policies which in turn may spell the difference between stagnation and healthy growth. With good reason it has been said, for instance, *that the British steel industry lost the battle against nationalization when it lost the good will of the public.*

But to return to U.S. utilities. It is obvious that the ability of, say, Atlanta Gas or Con Edison to maintain and expand their share of the changing energy market, to raise the new capital utilities depend on, to grow and to prosper, is inevitably affected by the public's attitude towards them. Indeed, in the market place any company is *only* as good as people think it is—as good as the collective impressions of its many audiences.

The formation of attitudes towards a company is a complex and prolonged process. Some opinions are based on facts, some on fancy. Some are derived from direct experience, some from hearsay. Some responses are reactions to ways a company projects itself through its communications.

The sum total of attitudes that people hold towards a company, referred to as its image, may lag behind the corporate reality; that is, the attitudes may reflect the past, not the present. Or the image may be hued by hopes of future prospects, due to some exciting technological breakthrough or a promising new product. Sometimes the image is better than the corporate reality, and sometimes it is not as good. In any case, only rarely do the image and the corporate reality coincide.

What can and cannot be controlled
The frustrating problem confronting corporate management is that since the image exists in the public's mind it is not something that a company can completely control, as for instance the packaging of its products. But *a company can control its performance and its communications strategy*, two crucial elements that help determine its image. Some companies, notably Eastern Air Lines, Chrysler and Xerox, have effected a radical change for the better in their image through a skillful combination of improved performance and a well-designed communications approach. Other companies can do the same for themselves.

The New York Times

Charles F. Luce (left), new Chairman and Chief Executive Officer, together with President J. V. Cleary, announce Con Edison's new communications program, developed by L&M. In a report to the people, Luce acted on early recommendations even before the full program was launched.

Communications Shortcircuit

FORTUNE magazine, March 1966—
Con Edison: The Company
You Love to Hate

"The Consolidated Edison Co. of New York is the nation's largest utility, serving some three million customers in New York City and Westchester County . . . harvesting $840 million in annual revenues. It is also the nation's most cordially disliked utility . . . Con Edison's deficiencies are legion. Since the mid-Fifties the company has lagged . . . far behind other utilities in growth and earnings . . . Its customers . . . have been subjected to a series of power failures . . . which have made Con Edison an imprecation on the tongues of millions of New Yorkers."

The reasons for Con Edison's negative corporate image are too complex and numerous to discuss here in detail. The *Fortune* excerpts should suffice, however, to illustrate the intensity of past press attacks on Con Edison and its imputed deficiencies.

Because of extremely bad publicity, the mere mention of Con Edison has brought to the minds of New Yorkers visions of soot, traffic snarls and other annoyances of urban living. Sometimes Con Edison has been blamed for no fault of its own. At other times Con Edison's faulty communications approach encouraged unpleasant image associations with pollution and blackouts. Typical of the company's apologetic communications stance were such slogans as, "We wish we didn't have to dig so many holes," and "If you are unhappy about New York air, we're twice as unhappy."

After years of trying unsuccessfully to win the tolerance, if not the love of its various publics, Con Edison showed evidence of a new way of thinking.

Early in 1967, the company tried to solve communications problems on its own through a major change in its advertising platform. At the same time, confronted with the imminent retirement of its chief executive officer, the company accelerated the search for a dynamic successor.

As a further step, Lippincott & Margulies was retained in the spring of that year to diagnose the situation and recommend a solution. By June preliminary recommendations were developed.

In August, Charles F. Luce was named Chairman and Chief Executive Officer.

And by October, Luce made his first decisive move, based on a strategy of improved performance, coupled with more effective communications as detailed in the L&M recommendations.

Luce was admirably suited for his new post. A former Under Secretary of the Interior, he had an unblemished record of public service plus valuable experience in the power industry.

As head of Con Edison, he candidly conceded the company's errors, some of which were in communications. His first major public announcement was in the form of a full page ad in major metropolitan newspapers. In this "Report to the People," Luce admitted that Con Edison had inadvertently compounded its own problems by placing signs proclaiming "Dig We Must," on street digging sites. The trouble was the smashing success of the slogan. "We get 'credit' for almost everybody's digging," said Luce, though the company accounts for only a third of the street excavations in New York City.

Con Edison had failed to explain to the public that 40% of its diggings were not due to faulty power lines or other defects of equipment that inevitably project an impression of incompetence, but to the city's dynamic growth and ever changing skyline.

Many have blamed Con Edison as the major contributor to the poisoning of New York City air. This is not true. "Con Edison is a large—though by no means the largest contributor to the New York air pollution problem," said Luce. Actually, "Con Edison is responsible for about 12.5% of the total pollutants in New York City air."

Why then was Con Edison *the* villain? Partly because it had become in the public mind the very embodiment of urban ills. Those prominent Con Edison red, white and blue smokestacks were not just one of many contributors to the city's dirty air. They symbolized the entire pollution problem.

Improving Performance

Recognition of past problems

Con Edison Chairman Luce concedes that some of the criticism of past company performance was valid, though perhaps exaggerated. "We recognize," says Luce, "that our customer service needs improvement. Despite the installation of the most modern computers to prepare bills for our 3,000,000 electric customers and 1,300,000 gas customers, we have had problems: There have been too many billing problems. And too often our action on customer problems has been too slow. We have tried to solve these problems. We are going to try harder. Our customers are entitled to performance, not excuses."

Of course, some of Con Edison's problems cannot be solved overnight. The modernization of the company's old plant and equipment will take a decade or more to complete because it involves a revolutionary shift from coal and oil-fueled power plants to major emphasis on nuclear-produced electricity.

Other less complex problems that have adversely affected the company's relations with the community have been straightened out wholly or in part. So far, Con Edison has spent more than $120 million on pollution control, and will spend tens of millions more. Con Edison has installed filters and has gone over to burning higher grade coal and oil, which contain less than 1% sulfur. As a result, sulfur dioxide emissions have been reduced by 50%.

But Con Edison is not satisfied with merely fighting its own smokestacks. It is taking positive action in many areas. In community action, for example, Con Edison has taken the lead in providing equal job opportunities for all races and has received the unstinted praise of New York City's Commission on Human Rights. The percentage of Con Edison's employees drawn from minority groups has increased considerably over the past few years. A quarter of all new workers hired in 1967 were Negro and Puerto Rican.

In the public interest

Con Edison has initiated other programs to better the community. Together with local 1-2 of the Utility Workers Union of America, Con Edison is training unskilled workers for clerical and key-punch jobs and is offering part-time employment to students who need extra income to complete high school or college. This program has received recognition from the highly critical *New York Post*. In a November 15 editorial, "And Now a Word for Con Edison," the *Post* said: "The imaginative work-study program for high school and college youths from slum areas . . . is a bright example of public service in the public interest by a public utility."

Con Edison and L&M agreed that the utility's responsibility is to serve the community in more ways than simply supplying power. One example of the company's initiative in fulfilling that responsibility lies in a program to provide jobs for high-school dropouts and part-time employment for slum youths still in school. This high school student has been given the opportunity to "earn while he learns" in the work-study program.

Countdown on air pollution

Con Edison's long range plans include Chairman Luce's pledge to "reduce to zero per cent our contribution to air pollution, to eliminate every Con Edison smokestack in town." This means that the company will build no new coal or oil-burning plants in New York City. It also commits the company to the dynamic development of pollution-free nuclear power as the company's chief source of electricity.

In fact, in the area of harnessing nuclear energy to produce electricity Con Edison has done important pioneering work. Con Edison was the first private utility to build, in 1962, a nuclear-powered electrical plant. Located at Indian Point on the Hudson, 24 miles north of New York City, it has a capacity of 275,000 kilowatts. *Fortune* criticized Con Edison for spending twice the projected sum to build the nuclear power plant. By the same logic the Wright brothers could be castigated for building the first plane, which was not commercially profitable.

With the valuable experience acquired from building Indian Point I, Con Edison is constructing another much larger nuclear plant that will generate 873,000 kilowatts when it is placed into service next year. Con Edison Vice President Thomas C. Duncan points out that the Indian Point II plant will produce electricity at a highly competitive cost per kilowatt hour before transmission. Plans have already been completed for a still larger Indian Point III plant, that will generate nearly a million kilowatts of electricity.

At present, transmission costs of power from the nuclear plants to the city make this cleanest form of energy more expensive than it could be. But Con Edison is looking forward to the day when it will be allowed to operate nuclear facilities within the city limits. Then customers will enjoy the full benefits of its pioneering technology.

An ambitious cleanup program

"It is not enough for a utility to provide economical, safe and reliable energy," Luce said. "It must also design and maintain its properties to intrude as little as possible upon the appearance of the community it serves."

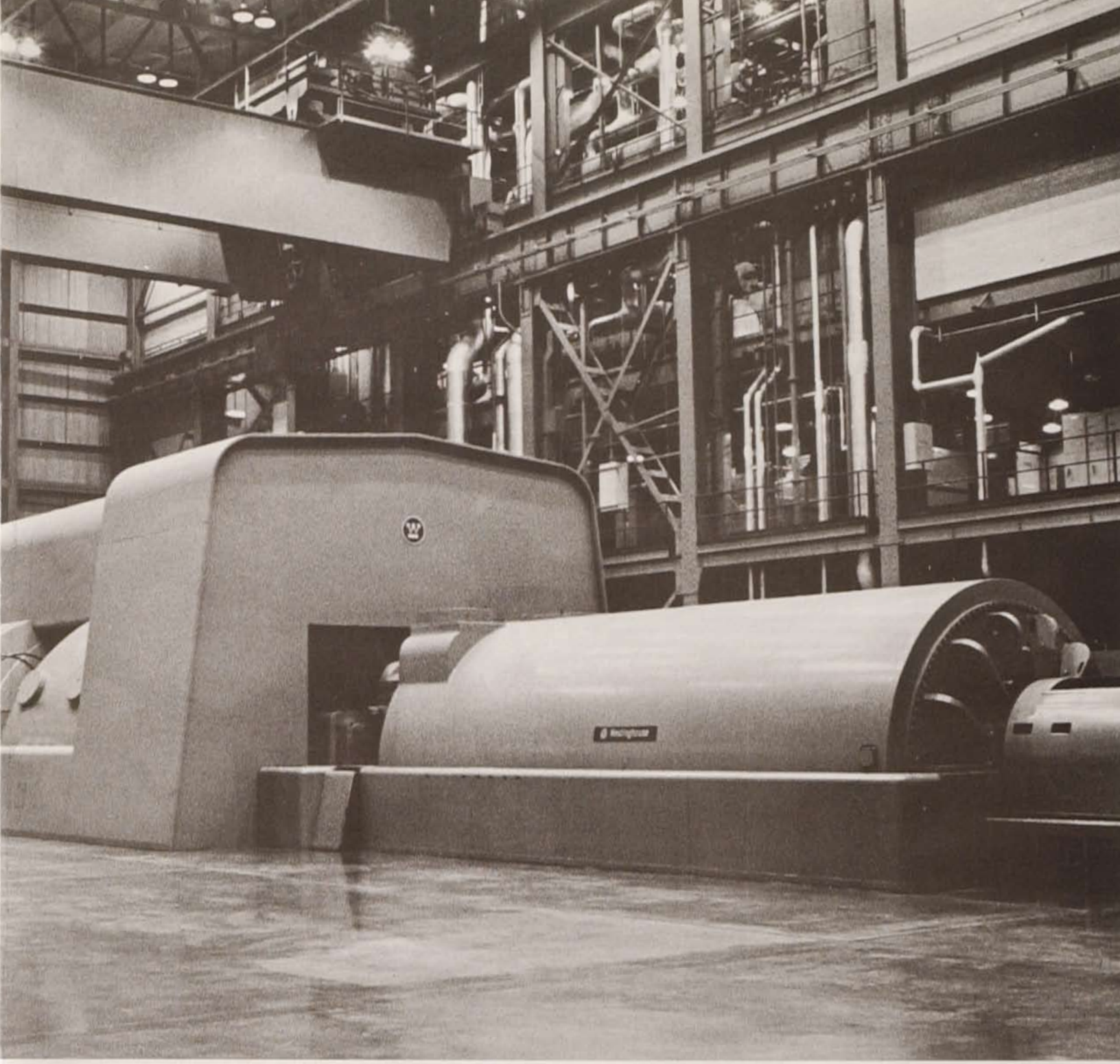
In the past, Con Edison has, unwittingly or inescapably, been responsible for some of the most prominent eyesores in New York. With the shift to cleaner forms of energy, many of the unsightly plants and facilities will be eliminated. An ambitious cleanup program is slated for the rest.

In one area of Manhattan alone, along the East River, $7.6 million will be spent to remove coal-handling facilities and remodel buildings. No less positive a step will permit use of the areas thus cleared for public recreation.

Something for the analysts

When the present modernization program is completed ten years from now, nuclear energy will generate 60% of Con Edison's electricity, compared to only 4% at present. Natural gas, a cleaner fuel than coal or oil, will generate another 15%, and the remainder (25%) will come from coal and oil that now account for 76% of the company's overall electrical power output.

Even the partial modernization implemented so far has had a healthy effect on earnings. In 1967 they are expected to top those for 1966 by a respectable 10%. Speaking last fall to the New York Society of Security Analysts, Luce conceded that the company's rate of return of 5.4% on electric investments compares unfavorably with the national average of 7%. But the current rate of return is the highest in fifteen years, and Luce is determined that it will go even higher.



Pioneer in pollution-free generation of energy by nuclear power, Con Edison is building two more plants to supplement this facility at Indian Point.

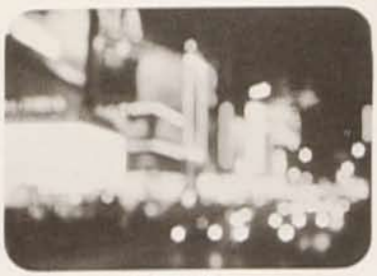
CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.

An Analysis of Present Communication Practices and Recommendations for a Communications Strategy

PRESENTED BY LIPPINCOTT & MARGULIES JUNE 1967

Definition of Terms

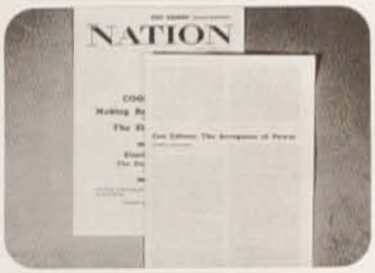
The Identity System



Con Edison

The Con Edison Publics

Opinion Leaders



The Con Edison Publics

Customers

Visual Analysis

Signage

Communications Strategy

Posture

Visual Analysis

Invoices, Letterheads, Forms, etc.

Visual Analysis

Rolling Stock

Mapping the strategy

Providing the objective view

It was Con Edison's own communications men—like Max Ulrich, now vice president for customer relations, and Gilbert Goetz, now general director of public relations—who saw the need for perspective, gained from an objective, outside view, when they first approached L&M in the spring of 1967.

When Charles F. Luce took over as head of the company in August, he gave enthusiastic endorsement to the step they had taken. This was crucial for success. The top executive had to be behind the program from the start. Without his unqualified support, the program would fail.

Now Con Edison had to come to grips with the current language and climate of communications. A fierce competition is constantly in progress for the audio-visual attention of the public. A company must know how to get its story across above the weltering din of competing communications and understand that the atmosphere is constantly changing and frequently contradictory. The public wants to be hip and modern, yet it is nostalgic for the past. People are grimly serious and at the same time pleasure-oriented. There's an accent on youth, but loyalty of the young is fickle and its tastes are ever changing.

If the complexities of devising and implementing an effective communications strategy are great, the opportunities are even greater. Companies have at their disposal a vast spectrum of communications techniques to help them attain their objectives.

Taking the initiative

Of course, communications is only part of the overall corporate posture. The primary consideration is performance, since a company can only communicate believably what it is actually doing. Progressive corporations know this. That is why they are constantly improving their products and services. That is why they are seeking to adopt warmer, more personal approaches in their everyday dealings.

They know they must keep the customer constantly in mind. But they also realize the larger responsibility to the community in which they are doing business. That responsibility is to make life more livable and exciting for all, by helping to improve the community environment and by providing jobs to all segments of the community.

To Lippincott & Margulies it was clear that Con Edison should take the initiative in its communications strategy. True, utilities provide services that are taken for granted. That's what initially offers them a tempting cloak of invisibility behind which to hide. But they should resist this dangerous expedient. They should make their services as conspicuous as they are essential to our modern way of life.

Communications audit

The only real answer to a communications problem is to implement a coordinated plan, which channels all corporate efforts towards the goal of establishing a more favorable corporate posture. In its capacity as Con Edison's corporate communications office, Lippincott & Margulies began by thoroughly evaluating existing practices.

L&M interviewed 27 key Con Edison executives, various members of the press, labor leaders and Wall Street security analysts, sifting, studying and evaluating their often contradictory views of the company's problems and suggestions for improvements. L&M did a comparative study of communications practices of several major utilities; examined the visual communications of Con Edison, from annual reports to plants and street holes and the maintenance of trucks; analyzed Con Edison's use of symbols, logotypes and trademarks. L&M communications experts sat in on Con Edison's Mainstream program of seminars for employees; attended the stockholders' meeting; studied the company's TV and radio commercials; sampled customer opinion; monitored customer calls.

And when the research was completed, L&M made recommendations for a plan for the future.

Accenting the positive role of energy in daily living

A utility serving a complex market
In its report to corporate management, L&M stated: "The basic problem facing Con Edison is the product category in which it is engaged." The company is a public utility—the largest utility in the U. S. It supplies gas, electricity and steam to the biggest, most sophisticated and vocally critical multiracial megalopolis in the nation. Many of Con Edison's communications problems are derived from the fundamental complexity of its market.

Since Con Edison's services are practically invisible, they are taken for granted, like air and water. The community becomes conscious of Con Edison's services primarily in periods of stress and discomfort, such as the blackout and traffic jams, that generate unfavorable opinion. In short, the public has an inherently negative awareness of the company.

The modern world runs on energy
And yet, electricity, gas and steam for heating are among the prime essentials of life, ranking in importance with air, food, clothing and shelter. Con Edison is in the business of providing what L&M termed *life-support systems* that are more important to the normal functioning of modern society than fire was to prehistoric man. The intricate mechanism of modern life breaks down as soon as the services of public utilities are withdrawn.

L&M's analysis of the nature of Con Edison's business and the complexities of the community it serves, suggested the appropriate communications strategy to overcome the company's communications gap. It recommended that Con Edison make the public signally aware of the high technological proficiency with which it serves the community. Certain discomforts cannot be completely eliminated, as for instance the street diggings, because the law requires that cables be buried underground in New York City.

But they can be minimized. And that's what L&M recommended that Con Edison do as part of its total modernization program. Con Edison is scheduling much of its street work in commercial areas at night or during other times of least congestion. It is also doing repair work faster, more quietly and with better housekeeping.

Con Edison has, says Chairman Luce, "put in service a truck-mounted Road-Bor machine which has acquired the name 'Cookie Cutter.' It opens pavement three times quieter and faster than traditional pneumatic jack-hammers. We plan to buy more 'Cookie Cutters'."

L&M recommendations stressed:
- **Improved performance**

No communications effort can be successful unless it goes hand in hand with tangible improvements in performance. Better consumer services provide the essential element of credibility without which no communications strategy, no matter how clever and deft, can hope to convince over the long pull.

Con Edison works in the realms of sophisticated science (top photo) to serve the energy needs of its customers.

Con Edison is creating greater public awareness of its technological proficiency through tours of its nuclear facilities at Indian Point (bottom photo).

Getting ready for future energy needs (opposite photo), Con Edison plans $1.5 billion in capital outlays over the next five years.

- **Opening channels of communication**

If a company is to get deserved credit for improved performance it must keep its various audiences informed in a positive way of the progress that it is making and of its plans for the future. Obviously, people can judge Con Edison only on the basis of what they know about it. And the primary responsibility for keeping various publics in the know rests with the company itself.

This principle was evident even in the early stages of the assignment, and Chairman Luce wasted no time before putting the suggestion into action. One of his first moves upon assuming leadership of Con Edison was his candid "Report to the People of New York City and Westchester County."

This was clear indication, along with the appointment of Luce himself, that Con Edison was bent on change.

- **Positive image associations**
  Con Edison should make the public aware of its contribution to making life more comfortable, enjoyable, and pleasant. This can be done by emphasizing the role of energy in making homes warm in the winter, cool in the summer and providing steaming coffee and hot toast in the morning.

- **Technological proficiency**
  Con Edison has long been a leader in harnessing nuclear energy to generate electricity. This in itself suggests that Con Edison is a company on the move, future-oriented, cost conscious, and sensitive to the possibility of finding new uses for power and expanding existing markets through revolutionary scientific applications. The public is to be kept informed of Con Edison's progress in the nuclear-power field, for example, through a permanent exhibit in New York City and public tours of existing Indian Point facilities.

- **Modernization, expansion, growth**
  The often repeated claim that Con Edison is a stodgy, barnacled company has obscured the fact that it is financially sound and growing. This must be brought into sharp relief in the company's communications with the financial community. After all, Con Edison is the nation's biggest utility, with annual sales approaching the billion dollar mark. It is trying harder to maintain industry leadership and plans to pour $1.5 billion into capital outlays over the next five years, of which $850 million will be internally generated.

  As a utility, Con Edison offers a hedge for the prudent investor interested in an almost recession-proof business as well as a stock whose dividends are mostly tax-free. And its rate of return on investment is higher than it has been for the past fifteen years.

  L&M also recommended greater involvement in the broad area of community relations. No company can afford to ignore social responsibilities, and utilities, committed as they are to public service, certainly must break out of the narrow conception of their duty that limits them to the supplying of power.

Duties of a responsible citizen
As a responsible citizen of New York, Con Edison must be concerned with the look of the city, the health of its citizens and the employment of its less privileged members.

Thus the announcement early in autumn, even before Con Edison's program was fully launched, of a work-study plan for slum youths drew quick applause from the press.

And when the full program was announced in January, local newspapers adopted a new attitude because of general plans for bettering the community. They went so far as to reverse their long-standing opposition to Con Edison's building of nuclear facilities within the city limits.

Con Edison

clean energy

Stating the corporate philosophy
The first step in the communications turnaround now under way was the joint formulation by Con Edison and L&M of an appropriate corporate philosophy. This statement, made clear to Con Edison's 25,000 employees through the internal Mainstream seminar program, gives each individual a better understanding of the total corporate effort and of his own contribution to it.

The new philosophy was cogently expressed in a new communications theme, CLEAN ENERGY, which represents the essence of the new program.

Of course, to define the corporate philosophy is only part of the task. There remains the difficult job of translating the guidelines into thousands of individual actions—in performance, customer relations and public relations. Obviously a corporate philosophy is only as good as its implementation.

Better contact with customers
And it is communicated in numerous ways. The cleanliness of Con Edison trucks is a form of communication. It tells that the company cares about its property and the impression it makes. Company concern for the public is also expressed daily through the thousands of contacts between employees and the customers and the public. Con Edison is the meter reader or the girl answering an inquiry.

To solve problems in the important area of customer relations, L&M saw the need for a whole new approach in customer handling. Daily correspondence contributed to the feeling that Con Edison was a depersonalized monopoly, indifferent to the public. The problem could only be dealt with by going to the heart of the matter, by revising the tone and the style of the letters, by rewriting the very thoughts as well as the words.

These changes were embodied in a series of prototype letters as well as guidelines for all customer correspondence. This was part of a comprehensive system designed to answer customer requests and complaints in a warm and personal way, by mail and telephone and in person.

Nor does the effort to make customer contact both pleasing and satisfying stop there. L&M also recommended the creation of a new physical atmosphere, beginning with those offices handling the greatest walk-in traffic.

For the most part, existing offices were clean but cold, marked by an institutional feeling. Prototypes of redecorated offices are planned to add a cheerful and comfortable quality that would be more contemporary and consistent with the new attitude at Con Edison.

But in terms of Con Edison's commitment, does it really matter whether the company's rolling stock is clean and the uniforms of the employees well designed? Do they really improve Con Edison's essential service which is to provide electricity, gas and steam heat to customers? One might not think so, yet they do. Because performance is a *service plus* proposition. The friendly tone of the receptionist's voice and the prompt and helpful reply to requests and complaints are the fringe benefits that distinguish first-rate from just-routine performance.

What the look of a company says
The design of company letterheads and signage makes a difference; the look of company rolling stock makes a difference. They all communicate that the company is efficient and sensitive to public reactions. The correct inference the public makes from the contemporary design of dividend checks and bills, from the streamlined appearance of company offices and plants is that the company is well managed and future-oriented. It shows that dedication to corporate goals inspires not only top management but each and every employee of the company.

Does this mean that a company is as good as it looks? Sometimes it does. In law, a corporation is treated as a legal person, and for good reason. Like individuals, companies have a personality; they may be lazy and fumbling, or alert and performance oriented. Like individuals, companies strive to live up to their image, and by trying hard, become like that image. In this sense, the image obliges.

The task of a communications theme
The selection of a communications theme that would accurately and succinctly express Con Edison's corporate goals was particularly difficult and complex.

After extensive study and research, a Lippincott & Margulies team set the criteria that any new theme would have to meet. To project Con Edison's new attitude accurately, the theme should:

- Be a clear statement of corporate purpose in the present circumstances.
- Be uniquely responsive to all of Con Edison's current communications problems to a greater or lesser degree, a sort of "corporate umbrella" that can cover the attitudes of all of the company's publics.
- Readily embrace all timely advertising and promotional themes.
- Reflect concern for the community and a determination to improve the quality of urban life in the New York and Westchester areas—in a positive and assertive way.
- Be consonant with the long-range corporate objectives.
- Be a dynamic theme that conforms to the criteria that have been established for Con Edison's modernization.

A corporate philosophy is only as good as its implementation. The new look of Con Edison, signifying the deeper changes that were recommended throughout the company's operation, is being projected in a variety of ways, including a new logo, stationery, billing forms, signage, rolling stock and employee uniforms. The new communications theme, "clean energy," is at once a commitment and a goal that includes such efforts as the $7.6 million cleanup of East River facilities.

- Offer a standard or rallying point for enhanced employee performance.

The project team then sifted through hundreds of promising alternatives before the choice gradually narrowed to a dozen possibilities. From then on the selection process became really tough. Finally, through a process of criticism and idea polarization, Lippincott & Margulies experts reached their recommendation. They suggested CLEAN ENERGY as the new theme best suited to project Con Edison's corporate personality and goals. The choice was enthusiastically endorsed by Con Edison management.

A promise of things to come

One reason for the selection is that it aptly describes the three major energy forms purveyed by Con Edison, and unlike many of the company's previous verbal expressions, it covers them all.

Even more importantly CLEAN ENERGY represents a radical break with the past. It is associated with the advent of a new chief executive officer and offers a clear call for improved performance, cleaner air, cleaner housekeeping and a better community.

The theme stresses the company's commitment to improved public service, and it emphasizes the company's technological leadership in the area of nuclear-generated electricity. In this respect, the verbal expression provides the primary building block for improved overall communications.

The theme CLEAN ENERGY on letterheads, dividend checks, bills, trucks, offices, power plants will keep the corporate goals at all times before the employees and the public. It offers Con Edison employees a standard of excellence. It urges them to improve the quality of company services.

Both an achievement and a goal

In a recent communication to Con Edison employees Chairman Luce said: "Our new communications program is not designed to make people love us but rather to give them a better understanding of the complex problems that confront us in serving the public and to convince them of the genuine effort we are making in improving upon our already considerable achievements. CLEAN ENERGY and the new look of Con Edison represent both a statement of achievement and a goal for us to reach."

An intellectual base for the future
With CLEAN ENERGY and a strict set of image criteria and a clear statement of corporate philosophy, Con Edison has now been provided with a solid foundation for turnaround—an intellectual platform to serve as basis for future performance and communications.

It is a commitment, a living, continuing program that will go on as long as Con Edison serves the energy needs of its New York City and Westchester customers.

The old negative and inappropriate emphasis has been scrapped along with the "Dig We Must" signs and the Father Knickerbocker figure.

The new corporate posture is now being projected through the new logotype and communications theme and new corporate colors, Edison blue, white and gray. They are being applied to stationery and business forms; advertising and promotion; rolling stock and equipment; signage and employee uniforms. The principles they embody are being reflected in daily correspondence, customer handling and relations with the community.

Behind the look, an inner change
The agenda calls for complete implementation where prototypes have so far been established. It also includes repainting, refurbishing and redecoration of plants and offices.

But the new look that is being projected outward will only be effective because it corresponds to a new determination at the heart of Con Edison.

In announcing the new program to the public on January 10, Board Chairman Luce detailed the many areas where performance is being improved. He announced plans for a fourth and possibly a fifth nuclear plant for generation of clean energy; he told how air pollution is being decreased in other ways; he described the many ways that Con Edison will improve the city and satisfy its customers.

Response from the press, a chief opinion leader, was swift—and favorable—quite a turnaround from some of the virulent attacks of the past. Even a cautious editorial in the *New York Times* sounded a clearly positive note. The newspaper was obviously impressed by Con Edison promises to fulfill community responsibilities. It saw evidence that "new chairman Charles F. Luce is trying to make 'clean energy' something more than a slogan."

No one expects the job to be completed overnight. Turnaround goes deep and takes a long time. The *Times* may be withholding final judgment, but Con Edison's direction is unmistakable.

Con Edison
clean energy

Readers of this issue of Design Sense will find the following of special interest:

Design Sense 44/Corporate Turnaround How professional management takes stock of where a company is going and how it proposes to get there . . . how an old corporate identity is scrapped and replaced. Described are the behind-the-scenes reshaping of three corporate identities and the far-reaching effects of the individual programs of all three.

Design Sense 54/The New Adults In numbers they're history's richest bonanza of buying power, but in all else an unknown quantity. How the new breed of adults differs from previous generations. What some marketers are doing to communicate with this pivotal new mass of consumers. Also: How Bendix—a billion dollar, diversified company—learned to overcome communications confusion and project an appropriate identity.

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